

[REDACTED]

october 24, 1987

PERSIAN GULF:

Situation Report

**Iranian Political
Rhetoric**

Iran continues to use a blend of concillation and threat with the Arab States on the Persian Gulf to undermine their resolve to support Iraq and the US escort program. Assembly Speaker Rafsanjani said yesterday that it is not too late for Kuwait and Saudi Arabia to step back from the Gulf conflict and that the door remains open for improved relations with Tehran if Kuwait and Riyadh end their military and financial support for Iraq and declare neutrality in the war. He warned that, if they continue their present policies, the "invisible shots that will be fired at your interests are numerous, and bigger invisible shots are yet to be fired." [REDACTED]

(b)(1)

(b)(3)

[REDACTED] Rafsanjani is trying to exploit the recent successful use of Silkworms against Kuwait, which showed Iran's willingness to escalate hostilities despite US attacks on Iran. By implicitly exempting the smaller Gulf states from threats of military action, Rafsanjani hopes to widen the divisions within the Gulf Cooperation Council over dealing with Iran. [REDACTED]

[REDACTED]

continued

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Pages: 2

Exemptions: (b)(1), (b)(3)